
Health Care & Wellness Committee

SSB 5777

Brief Description: Concerning the Washington state insurance pool.

Sponsors: Senate Committee on Health & Long-Term Care (originally sponsored by Senators Murray and Parlette).

Brief Summary of Substitute Bill

- Directs the Board of the Washington State Health Insurance Pool (WSHIP) to conduct a study of sustainable funding sources for Pool operations.
- Modifies eligibility for the Pool for applicants eligible for a Medicare Advantage product.
- Extends the length of time between Standard Health Questionnaire recertifications from 18 to 36 months.

Hearing Date: 3/20/09

Staff: Dave Knutson (786-7146)

Background:

In the individual health insurance market a person applying for coverage must first take the Standard Health Questionnaire (SHQ). If their score places them in the 8 percent of highest-cost cases the health carrier may reject them for coverage. At that point the person is eligible for coverage through the Washington State Health Insurance Pool (WSHIP). The Board of the WSHIP is required to recertify the SHQ every 18 months to ensure it continues to identify the 8 percent of highest-cost cases. In some cases, a person eligible for both Medicare and WSHIP coverage can receive better coverage through a Medicare Advantage plan than Pool coverage. The cost of providing Pool coverage is paid for by an assessment on insurance companies operating in Washington. There are limited public funds available to help make Pool premiums affordable for enrollees.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Summary of Bill:

The Board of WSHIP will recertify the Standard Health Questionnaire every 36 months rather than every 18 months. Eligibility for the program is modified for a Medicare-eligible person applying for Pool coverage after August 1, 2009. New Medicare-eligible enrollees are eligible if they do not have access to a reasonable choice of Medicare Part C plans with at least three carriers in their county of residence. The plan options must include coverage at least as comprehensive as Medicare Supplement Plan F, and options must provide access to adequate and stable provider networks that have been in place for at least two years, that make up-to-date provider directories easily accessible on the website, and will provide a hard copy if requested. If no health maintenance organization or preferred provider organization plan includes the health care provider with whom the person has an established care relationship or from whom they have received treatment within the past 12 months, the person does not have “reasonable access” and can come into the Pool.

The Board of WSHIP must conduct a study to identify a stable, sustainable funding source for the operation of the Pool. The Board is authorized to solicit funding to conduct the study and must report to the Legislature by December 15, 2009.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.